

**Ministry of Finance
(Budget Division)
Government of India

Comments and suggestions sought from stakeholders and general public on the Terms of Reference (ToR) of the FRBM Committee

New Delhi, June 1, 2016

In pursuance of the Budget announcement (Para 111 of the Budget Speech, 2016-17), the Government has constituted a committee chaired by Shri N.K. Singh, IAS (Retd.), former Revenue and Expenditure Secretary and former Member of Parliament) to comprehensively review and give recommendations on the FRBM roadmap for future. The Committee is required to submit its Report by 31st October, 2016.

In this regard, comments and suggestions are sought from stakeholders and general public on the ToRs of the Committee. The ToRs of the Committee, which are also uploaded on the Finance Ministry's website (www.finmin.nic.in), are as under:

- (i) To review the working of the FRBM Act over last 12 years and to suggest the way forward, keeping in view the broad objective of fiscal consolidation and prudence and the changes required in the context of the uncertainty and volatility of the global economy;
- (ii) To look into various aspects, factors, considerations going into determining the FRBM targets;
- (iii) To examine the need and feasibility of having a 'fiscal deficit range' as the target in place of the existing fixed numbers (percentage of GDP) as fiscal deficit target; if so, the specific recommendations of the Committee thereon; and
- (iv) To examine the need and feasibility of aligning the fiscal expansion or contraction' with 'credit contraction or expansion' respectively, in the economy.

The Committee will make its assessment and provide its views on the expected impact of its recommendations on the General Government deficit and other FRBM parameters. The committee will also examine and give recommendations on any other aspect considered relevant in relation to the determination and implementation of the FRBM roadmap.

The comments and suggestion on the ToR of the FRBM Committee may be sent by 15th July, 2016 electronically at the email address – frbm-dea@gov.in
